

## Marshall Lane Manor

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*Written testimony of Anthony F. Simonetti, Administrator and Co-Owner of Marshall Lane Manor, an Intermediate Care Facility concerning Proposed H.B. No. 5586 An Act Increasing Nursing Facility Rates. Proposed H.B. 5812 An act concerning a cost of living increase for Nursing Facilities and S.B. No. 231 Act Concerning Cost of Living Increases for Nursing Homes.*

Good evening Senator Moore, Representative Abecrombie and to the members of the Human Services Committee. My name is Anthony F. Simonetti, I am the Administrator and one of the owners of Marshall Lane Manor a 120 bed Intermediate Care Facility located in Derby, CT which was opened in 1973 by my parents. We presently employ 95 staff members, Marshall Lane Manor was one of the first facilities in CT to be awarded a *5 Star Rating* for excellent quality nursing care by the Center of Medicare and Medicaid Services. (CMS)

I have over 44 years of experience in Connecticut Nursing Homes, planning, developing, designing, building and managing from 1971 to the present. My family and I have owned, managed and provided excellent nursing care in 3 facilities in the State of Connecticut over a span 51 years and we are one of the few independently owned facilities left in the State of CT. At this time I am one of five owners of Marshall Lane Manor. Marshall Lane Manor is an efficient and effective facility that has been an excellent supplier of healthcare to our states elderly, in-firmed and mentally challenged citizens for many years.

*We were forced to close Clintonville Manor in North Haven CT due to the low rate of reimbursement provided by the Medicaid formula in 2013.*

First I want to publicly thank the state legislators who introduced these very badly needed bills, House Rep. Leader Klarides, and State Representatives Perillo and Gentile along with State Sen. Joseph Crisco. And thank you to the Human services committee for including these bills at this public hearing.

The bills all get to the same issue. Medicaid Nursing facility rates have been flat since 2007, but our basic necessary costs have been dramatically rising out of our control. These bills recognize that just has not worked and they provided for increasing rates, by an annual cost of living adjustment or through a formula that increases rates based on a nursing facilities costs.

The message from the point of view of the operator is very simple – Our nursing facilities need your help. We can't just continue on a path where no financial assistance is provided without strapping our employees or jeopardizing quality of care provided to our residents. The regulations which the state of CT has on the books and REQUIRES us to follow have increased costs above our capacity to absorb or continue to provide quality care.

Here are some examples of what we are up against in our nursing facility while the rates have been stagnant for over 7 years:

- Sick Leave benefits - \$60,000 per year
- Health Care Benefits - \$100,000. in 2014 alone – and additional \$30-40,000 in 2015
- Cost of Staffing – Additional \$75,000.00 to meet minimum staffing required for 2014
- Food Costs up 24% over 2010
- Insurance Costs - Physical Plant \$25,000 over 2013
  - Workers Comp \$45,000 over 2012
- Energy (Natural Gas) - \$12,000 over 2013
- Electricity \$10,000 increase over 2013
- Supplies (Diapers/Plastic Bags/ Cleaning supplies etc.) - \$26,000 over 2013
- Upcoming cost of \$85.00 background checks for all new hires (2016) Estimated at \$5000.00+ per year.
- New electronic record keeping for quality care \$120,000+ start up cost. Additional \$10-12,000 per year to maintain, repair, & update.

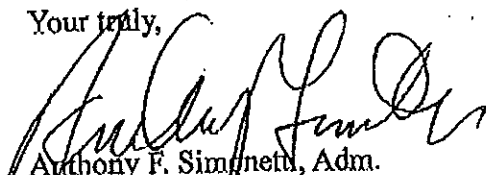
MLM and each facility in the state has been audited multiple times before and since 2007. The data is in your DSS files proving that the State of CT is not paying for the resident nursing and custodial care they contracted for and demand.

Marshall Lane Manor (MLM) is the lowest Medicaid cost facility in the state and is struggling to survive receiving only \$104.00 per day to provide 24/7 professional nursing and custodial care for its residents. The MLM rate of reimbursement quoted above is less than half of what other facilities receive that provide the SAME care but the DSS will not provide any relief or additional funds due to the antiquated and cumbersome formula that records costs but ignores the need for additional reimbursement for legitimate costs and services provided.

**I am asking you to advance these bills and provide our nursing facilities the help they need to care for our residents.**

Thank you and I would be happy to answer any questions you may have.™ Please feel free to contact me at 203-605-7712 or via e-mail (Below) and I am available to provide you with a tour of Marshall Lane Manor at any time.

Your truly,



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